

MPF Xtra[®] PFI Advisory

December 21, 2010

Special Attention:

PFI MPF[®] Program Management and Origination Management with MPF Xtra Master Commitments

Subject: MPF Xtra[®] Product Loan Data Validations

To ensure the accuracy of certain Loan Presentment and Loan Funding data, loans delivered under the MPF Xtra product will be subject to additional system data validations beginning either December 21, 2010, or January 3, 2011.

System Data Validations

The Loan Funding Request will be completed only if the loan data meets the requirements described in the table below. PFIs are advised to review their data delivery procedures and Desktop Underwriter (DU) data entry procedures to ensure the accuracy of their loan data in order to prevent delays in Loan Funding.

Data Validation Name	Data Validation Description
Effective December 21, 2010	
LTV and TLTV = DU LTV and CLTV ratio. Loan Funding Validation	<p>The delivered LTV and TLTV will be compared to the DU LTV and CLTV <i>at the time of the loan funding request</i>. If the LTV and TLTV are not within the validation check specifications, the loan funding request will not be completed.</p> <p>The MPF Xtra Service Center will notify the PFI that the loan funding was not completed due to the data error, typically the next business day following the funding request. The loan will be funded when the delivered loan data and DU data are the same.</p> <p><i>(The LTV and TLTV must be delivered per the Loan Presentment Request Form (Form OG3) instructions; it is not necessary to round or truncate the LTV or TLTV.)</i></p>

Data Validation Name	Data Validation Description
Effective January 3, 2011	
Delivered Data = DU Data Loan Funding Validation	<p>The MPF delivered data will be compared to the DU data <i>at the time of the loan funding request</i>. If the MPF delivered data and DU data are the same (or within tolerances specified by DU), the loan funding request will be completed.</p> <p>The MPF Xtra Service Center will notify the PFI that the loan funding was not completed due to the data error, typically the next business day following the funding request. The loan will be funded when the delivered loan data and DU data are the same.</p>
Invalid DU Case Number Loan Funding Validation	<p>If the Automated Underwriting System (AUS) Decision field in Loan Presentment is completed with a “1” (DU Approve / Eligible) the correct DU Case Number must be provided in the AUS Certificate # field.</p>

PFI's are encouraged to register for a live webinar training session, “MPF Xtra product Loan Presentment & Loan Funding Validations” to learn more about these changes. Registration information can be found under the MPF Webinar Training Calendar in the MPF Education section of the website at <http://www.fhlbmpf.com/info/calendar.asp>. PFI's are also encouraged to be diligent in data delivery procedures for Loan Presentment, and where applicable, data entry into DU in order to avoid any loan funding delays.

If you have any questions, please contact your MPF Bank Representative or call the MPF Xtra Service Center at 888-362-0011.